CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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25X1A COUNTRY Poland REPORT NO. SUBJECT Delays at the Lenin Iron and Steel DATE DISTR. 17 May 1954 Works (formerly Nowa Huta) near Krakow NO. OF PAGES 1 DATE OF INFO. 25X PEQUIREMENT NO. PLACE ACQUIRED 25X1A REFERENCES

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.

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25X1X (FOR KEY SEE REVERSE)

- 1. The Lenin Iron and Steel Works (formerly Nowa Huta) at Nowa Huta near Krakow has again been compelled to postpone the opening of some sections, many of which should have been actively producing two years ago. Inconceivable chaos exists at the foundry; the chaos, mainly of an organizational character, can be attributed largely to the failure of the Soviets to deliver machines and building materials on schedule. Soviet deliveries are often delayed a year or more, and oftentimes the machines sent from the USSR are not suitable for use in the foundry. Moreover, deliveries of building materials from firms in Poland are also delayed. Shocking shortages exist, and sometimes only 15% of the building material sent to the foundry is fit for use; by far the major portion must be returned to the firms or factories which supplied it.
- 2. There is a lack of cement, bricks, wood, iron, lime, and in fact, of all building materials. The construction engineers are obliged to seek substitutes, as was done during wartime when there were shortages of all materials. In place of wood, the engineers use pressed plates of wood paper; instead of cement, cement pap mixed with sand, etc. Even with the use of substitute materials the work is not finished within the scheduled time.
- 3. The housing shortage mounts steadily, and lodging conditions are scandalous. For this reason about 1,500 workers leave the Nowa Huta foundry each month to work in other industries. Never since the project was begun have there been enough workers, and this monthly exodus further complicates the situation.

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